

# **Readings in Marketing : An Islamic Perspective**

Osman M. Zain

Research Management Centre  
INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA



# **Readings in Marketing**

## **An Islamic Perspective**

*Osman M. Zain*



**IIUM Press**

Published by:  
IIUM Press  
International Islamic University Malaysia

First Edition, 2011  
IIUM Press, IIUM

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without any prior written permission of the publisher.

Perpustakaan Negara Malaysia

Cataloguing-in-Publication Data

Osman M. Zain

Readings in Marketing: An Islamic Perspective

Osman M. Zain

Include index

Bibliography: p.

ISBN

ISBN: 967-0225-45-6

Member of Majlis Penerbitan Ilmiah Malaysia – MAPIM  
(Malaysian Scholarly Publishing Council)

Cover Design by Masilah Mohamad

Printed by :

**IIUM PRINTING SDN. BHD.**

No. 1, Jalan Industri Batu Caves 1/3

Taman Perindustrian Batu Caves

Batu Caves Centre Point

68100 Batu Caves

**Selangor Darul Ehsan**

# Contents

---

<i>About the Editor</i>	<i>viii</i>
<i>Preface</i>	<i>x</i>
<i>Acknowledgement</i>	<i>xv</i>
<i>Abstracts</i>	<i>xviii</i>

## SECTION A: INTRODUCTION

1. Conscientious Marketing: Setting Foundation in Making a Difference in People's Lives 1  
*Zahir A. Quraeshi, Mushtaq Luqmani, Roberta J. Schultz & Osman M. Zain*

## SECTION B: CONSUMER BEHAVIOR ISSUES

2. Journey to Market Segmentation Theory: Islamic Perspectives 31  
*Muhammad Arham*
3. The Potential of Ethnic Marketing in Australia: The Case of Halal Foods 49  
*Alvin M. Chan*
4. Islamic Banking Brand Preference Among Students in Malaysia 71  
*Khaliq Ahmad, Micheal Dent & Ghulam Ali Rustam*

- |    |  |    |
|----|--|----|
| 5. | Customer Satisfaction Towards Islamic and Conventional Bank in Tunisia: A Study Using Confirmatory Model<br><i>Ali Hadj Khalifa &amp; Yusuf Ismail</i> | 91 |
|----|--|----|

## SECTION C: PRODUCT ISSUES

- |    |  |     |
|----|--|-----|
| 6. | Product Philosophy in Islamic Marketing<br><i>Muhammad Arham</i>   | 119 |
| 7. | Halal Product Marketing in Malaysia : A Study on the Essential of Halal Certificate<br><i>Zulzaidi Mahmood</i>   | 137 |
| 8. | Will Those Targeted Pay More? The Issue of Halal Logo<br><i>Ernest Cyril de Run &amp; Lau Wee Ming</i>   | 161 |
| 9. | Corporate Image of Islamic Banks in Malaysia: An Institutional Theory Approach<br><i>Ismah Osman, Kalthom Abdullah, Nurdianawati<br/>Irwani Abdullah &amp; Ahassanul Haque</i> | 175 |

## SECTION D: PRICE, DISTRIBUTION, AND PROMOTIONAL ISSUES

- |     |   |     |
|-----|---|-----|
| 10. | Perspectives of Muslim Consumers on Islamic Pricing Practice Among Businesses in Malaysia<br><i>Mohd Ismail Ahmad &amp; Santhapparaju</i> | 207 |
|-----|---|-----|

11. Export Market Orientation Behaviours In Malaysia: 225  
The Halal Industry Retrospective  
*Asmat Nizam Abdul Talib & Ili Salsabila Abd. Razak*
12. Perception of Deceptive Practices of Companies: 247  
An Islamic Perspectiv  
*Kalthom Abdullah & Yusof Ismail*
13. A Study on Advertising Practices of Islamic Banking 277  
in Malaysia: An Empirical Assesment Under Islamic  
Observation  
*Ahassanul Haque, Mohd Ismail Sayyed Ahmad, &  
Sabbir Rahman*

## CHAPTER 5

### CUSTOMER SATISFACTION TOWARD ISLAMIC AND CONVENTIONAL BANKS IN TUNISIA: A STUDY USING CONFIRMATORY MODEL

**Ali Hadj Khalifa\* and Yusof Ismail\*\***

---

#### INTRODUCTION

Islamic banking has been growing rapidly worldwide over the years grown with more than 180 Islamic banks and financial institutions operating in Asia, Africa, Europe and the USA by end of 1999. This phenomenon is now spreading to Tunisia with the arrival of a new Islamic bank called Zitouna Islamic Bank (*Banque Islamique Zitouna*). This Bank will strengthen the Islamic banking sector which is made up of a Tunisian investment bank, called BEST Bank (*Bank Ettamwil Tounsi Saoudi*). Recently, UAE established Noor Islamic Bank (NIB) that aims to cater as the bank's regional office for North Africa. However, it should be noted that the Tunisian banking sector remains dominated by conventional banks. Consequently, Islamic banks are facing fierce competition among themselves, and especially so from conventional counterparts. Islamic Banks would have distinctive assets to save space on the Tunisian financial market.

With the emergence of Islamic banks in Tunisia, customers have more options to shop around for more competitive product offerings and banks. Consequently, all banks operating in Tunisia should be concerned with whether their service offerings satisfy their existing customers and are able to attract new ones.